THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI-PROSAD PAL): (a) It is difficult to compare the customer service available in the private banks *vis-a-vis* the service rendered by the branches under the State Bank of India, Local Head Office, New Delhi. However, S.B.I has reported that they are making all efforts to improve the customer service at their branches.

(b) There is no shortage of Rs. 10/—notes. However, L.H.O., New Delhi, has reported that there is shortage of small denomination notes namely, Rs. 2/- and Rs. 5/— owing to their restricted supply from RBI.

(c) and (d) S.B.I., L.H.O. New Delhi, has informed that they have issued instructions to their branches not to issue mutilated notes to the public. Moreover, mutilated notes are being freely exchanged and if any, nonissuable mutilated note is found in a packet, the entire packet is immediately replaced.

Interest Burden on Government

1160. SHRI GOVIND RAM MIRI: Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that during the current financial year about 30% of Government's borrowings would meet interest costs alone; and

(b) if so, what are the reasons and justifications thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBIPROSAD PAL): (a) and (b) Fiscal deficit which indicates total net borrowing requirement of the Government from all sources is placed at Rs. 64010 crore in 1995-96 (RE). The interest payments in the current year are estimated at Rs. 52,000 crore. The interest liability is towards the total outstanding debt incurred in the past whereas additional debt raised in a particular year is for meeting the gap between total expenditure and non-debt receipts.

Corrective Measures to Improve Economy

1161. SHRI V. NARAYANASAMY: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to a news report published in 'Hindustan Times' of 6th January, 1996 under the heading "Economy sharing signs of recession";

(b) if so, whether causes for such recession have been indentified; and

(c) the details of corrective measures being taken to improve the economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI-PROSAD PAL): (a) Yes, Sir.

(b) and (c) Contrary to the analysis contained in the news report, the Indian economy has exhibited signs of robust growth during 1995-96. The overall economic growth which accelerated to 6.3 per cent in 1994-95 is projected to be 6.2 per cent in 1995-96. The overall industrial growth as indicated by the Index of Industrial Production was 12 per cent during April—September 1995 as against 8.8 per cent in April—September 1994. The core infrastructure sectors have also kept their general uptrend in 1995-96. Electricity, coal, saleable steal, cement, crude oil and petroleum products with a combined weight of 28.8 per cent in the Index of Industrial Production registered a growth rate of 8.4 per-cent in April—December 1995 compared with 8.3 per cent in April—December 1994. The financial assistance disbursed by the All India financial institutions has grown from Rs. 23478 crore during April—January 1994-95 to Rs. 26588 crore during April—January 1995-96.

Setting up of North-East Financial Development Corporation

1162. SHRI TARA CHARAN MAJUMDAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government had proposed to set up a Development Bank with